

T C R S R E P O R T

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Produced for active members of the Tennessee Consolidated Retirement System

From the Director's Desk



Ed Hennessee

Please . . . Don't Risk It

Recently, TCRS has had a number of cases where a member applies for benefits and continues to work under a contract. In other cases, retirees have returned to employment and worked under a contract to attempt to avoid suspension of benefits.

These members/retirees have placed their financial welfare at risk because, when discovered, they have been required to repay the benefits they received while they were working. In some cases, the amounts repaid have been enormous.

The existence of a contract does not provide a loophole to permit one to receive benefits and work for a covered employer.

If you are ever in a position to consider an appointment with a covered employer after retirement, you should limit yourself to 100 days of temporary employment per year, direct TCRS to suspend your benefit, or decline the opportunity.

Please do not risk your financial future! The TCRS mission is to provide lifetime benefits to retirees, not collect benefit payments already made.

Editor's Note:

The guidelines for disability retirees are different. Surviving beneficiaries are exempt from work limitations and certain other exceptions exist, such as the one noted below for K-12 teachers. For more information, you may request a booklet or visit the TCRS internet site at www.treasury.state.tn.us/tcrs.

Bills enacted during the 2000 legislative session

During the 2000 legislative session, a number of bills were enacted that affected the retirement system. Included in the changes were the areas of direct deposit of pension benefits, return to service for K-12 teachers, and an additional insurance choice for retirees.

As an active employee, you are well aware of the safety and benefits that direct deposit offers. You remain in control of your finances without the worry of your check being late, lost or stolen. In an effort to reduce mailing cost and improve the efficiency of payment processing, TCRS is implementing new legislation requiring mandatory direct deposit for monthly TCRS benefit payments. Direct deposit information is now a required part of the application process.

New legislation provides some relief to the shortage of K-12 teachers in certain academic fields. A retired member who has been retired for more than one year may return as a K-

12 teacher without the loss of TCRS benefits if certain conditions are met. These conditions include the Superintendent/Director of School and the Commissioner of Education must certify that no other qualified persons are available to serve in the area; the retired member must hold a teacher's professional license or

certificate; and the teacher is not entitled to tenure or other benefits. The form containing the details can be found at the TCRS web site.

Retiree insurance was enhanced by offering an additional insurance choice at the time

Medicare eligibility is attained. Currently, coverage under the State sponsored group insurance plan terminates for retired employees upon Medicare eligibility by virtue of age. In addition to their Medicare coverage, retirees may enroll in the State's Medicare Supplement Program, either Plan 1 or Plan 2. New legislation allows Medicare eligible retirees and their dependents currently participating in the State

sponsored Medicare supplement program to return to the State's PPO plan if enrolled in State sponsored coverage at the time that Medicare eligibility occurred. The new Plan 3 Medicare Supplement insurance program is currently being developed and will be available January 1, 2001.

Information on all TCRS programs as well as all TCRS forms is available at our internet website: www.treasury.state.tn.us/tcrs.

Annual statement

Distributed with this newsletter is your annual TCRS statement. The statement contains salary and service information as of June 30, 2000; therefore, employees hired after this date will receive a statement next year. Any service earned or prior service established during the year is displayed on the statement. If more than one beneficiary is designated, the words "Multiple Beneficiary" may appear. Be sure to examine your statement. If corrections are needed, contact your payroll or personnel officer for assistance.

**Legislation
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K-12 teachers.**

Meet the new board members

Mr. Mahlon Bryan, East Tennessee Teacher Representative, recently announced his retirement and his plans to relocate to Georgia. As a result, he resigned from the Board of Trustees.

The TCRS Board of Trustees appointed Ms. Rebecca Reel to serve the remainder of Mr. Bryan's three-year term. Ms. Reel is employed by Hamblen County Schools and has over twenty-six years of service in Tennessee.

Dr. C. Warren Neel is also a new member of the Board. This is a result of his appointment as Commissioner of Finance and Administration. As Commissioner, he serves as the Governor's chief financial officer for Tennessee state government and oversees the state's \$18 billion budget.

Internet gaining popularity

Have you visited the TCRS internet site lately? Did you know that you can calculate your retirement benefit on-line? Do you need TCRS forms or benefit books?

TCRS is only a click away. The calculator, along with information about your retirement plan, may be found on-line at www.treasury.state.tn.us/tcrs.

The benefit calculator allows Group I members to enter data and receive an immediate estimate. You can easily make changes to the data and calculate and print as many estimates as you'd like.

As a convenience to TCRS members, many popular forms are available on the TCRS web site and can be filled in using the Adobe Acrobat reader. Just print and mail to the TCRS office. The 2000 editions of the *Summaries of General Provisions* for Group I State Employees, Teachers and Political Subdivision employees are also available. Several other TCRS publications are also available, such as the *TCRS Annual Report* and *Retirement. . .A New Beginning*.

Don't miss the information highway. Visit the TCRS internet site today and find out more about your retirement system.



Do you have a question?

TCRS has an automated system on its toll-free number: 1-800-770-8277. If calling from Davidson or the surrounding counties, the automated system can be accessed locally by dialing 253-2513.

Select 2 for estimates, counseling appointments, or field services. Select 3 for benefit calculations, military credit or prior service. Select 4 for refunds and rollovers. Select 5 for enrollments, account balances, and annual statements.



Direct Telephone Numbers

Benefits and Counseling (615) 741-1971
Member Services (615) 741-4868
Prior Service (615) 741-4868
Account Services (615) 741-5588
Refunds (615) 741-4925

E-mail

Benefits and Counseling TCRS.Counseling@mail.state.tn.us
Member Services TCRS.Member-Services@mail.state.tn.us

Mail

TCRS
10th Floor Andrew Jackson Building
Nashville, Tennessee 37243-0230

Internet

www.treasury.state.tn.us/tcrs

Notice for members of Prior Class B and C

Prior Class B teachers, Class B local teachers, Prior Class B state employees, and Class C members who choose to work past the service retirement eligibility date of the superseded system may elect to stop making contributions to TCRS.

Making this election will have no adverse effect on future retirement benefits. Members will continue receiving service and salary credit after filing elections.

Prior Class B teachers and Class B local teachers may file elections with TCRS to stop making contributions to TCRS when they attain age 60 and complete 35 years of service. Prior Class B state employees may file elections with TCRS to stop making contributions to TCRS when they attain age 60 and complete 20 years of service or after 30 years of service regardless of age. Prior Class C state police officers may elect to stop making contributions when they attain 25 years of service.

For local teachers, this election has no effect on their obligation to continue contributing to their local system; however, it will increase their TCRS benefit at retirement. Class B local teachers began teaching prior to July 1, 1972 and participate in the Knoxville, Chattanooga, Hamilton County, Metro Nashville, Jackson or Memphis local retirement system.

Election forms and further information may be obtained from the TCRS Account Services section.

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